As Southeast drought eases, water bills rise

By Larry Copeland, USA TODAY 4/28/08

ATLANTA — Many residents of the Southeast who sacrificed greener lawns and longer showers to reduce water usage during the region's historic drought are now seeing the other shoe drop: They're being hit with sharp rate increases as water utilities scramble to make up revenue lost because of conservation measures.

The drought is lessening across much of the region, and the most severe outdoor watering restrictions have been eased in places such as Atlanta, Charlotte and South Florida. Now come the heftier water bills.

Among the price hikes:

•Atlanta's water utility, facing hundreds of millions of dollars in bond debt for a \$3.9 billion update of its sewer and water systems, is seeking a 15% rate increase to offset conservation losses; other water utilities in metropolitan Atlanta are likely to follow suit if usage stays low.

"We're estimating a \$33 million-a-year loss because of the drop in revenue from people conserving," says Janet Ward, spokeswoman for Atlanta's Department of Watershed Management. "That's the Catch-22 that we're in. People conserve, and you're so proud of them. Then you say, 'But wait, you're going to get hit with a bigger bill for conserving.' "

- •In Charlotte, where people have reduced their water usage by up to 40% since last year, water bills are going up about 15% beginning next month about \$6 a month for the average customer. The Charlotte-Mecklenburg utilities department, facing a \$20 million shortfall because of conservation, will drop the increase to 14% in July and might drop it further as water usage rises. "It's tough for the average customer to understand," says Maeneen Klein, water conservation manager for the utility. "Do what we ask you to do, and it's going to cause your bill to go up."
- •In Palm Beach County, Fla., water customers are seeing a drought surcharge on their bills: an additional \$3.50 on an average \$23.80 bill. The Palm Beach County Water Utilities Department, which serves about 500,000 people, is facing an estimated \$13 million deficit, spokesman Robert Nelton says.
- "A majority of the utilities here in South Florida have chosen to initiate a surcharge," he says. "All the utilities are selling less water, but they still have salaries to pay, they still have to maintain their distribution systems."

The rate hikes reflect a new reality in a part of the USA that traditionally has enjoyed plentiful water — and priced it too cheaply, some experts say.

"Nobody in the Southeast has been paying the true price of water," says Robin Craig, a law professor and water expert at Florida State University's College of Law. "We're in a painful transition period. As people are realizing the need to conserve, the same processes are forcing the cost of water up."

It's unlikely that the price increases will hamper efforts to develop a water conservation ethic, says Sally Bethea, executive director of the environmental group Upper Chattahoochee Riverkeeper.

"Water conservation efforts actually keep rates from going higher than they would if a utility has to resort to other sources, like buying from another utility or building reservoirs," she says. "The fluctuations in water rates wouldn't be so dramatic if all water consumers were using aggressive conservation measures all the time."